

infant nutrition, and the greater the duration of breastfeeding, the lower the odds of pediatric overweight and obesity;

Whereas according to the CDC less than half of mothers who work full time exclusively breastfeed their newborns;

Whereas according to the CDC, support for lactation at work benefits individual families as well as employers via improved productivity and staff loyalty, enhanced public image of the employer, and decreased absenteeism, health care costs, and employee turnover;

Whereas studies show that one-third of children and adolescents in the United States are obese or overweight and healthy lifestyle habits, including healthy eating and physical activity, can lower the risk of becoming obese and developing related diseases;

Whereas studies report that family rituals, such as sitting down to dinner together and sharing activities on weekends and holidays, positively influence children's health and development, and that children who ate dinner with their family every day consumed nearly a full serving more of fruits and vegetables per day than those who never ate family dinners or only did so occasionally;

Whereas furthermore, unpaid family caregivers will likely continue to be the largest source of long-term care services in the United States for elderly United States citizens and are estimated by the Department of Health and Human Service to reach 37,000,000 caregivers by 2050, an increase of 85 percent from 2000, as an increasing number of baby boomers reach retirement age in record numbers; and

Whereas the month of October would be an appropriate month to designate as "National Work and Family Month": Now, therefore, be it

Resolved, That the House of Representatives—

(1) supports the designation of "National Work and Family Month";

(2) recognizes the importance of balancing work and family to job productivity and healthy families;

(3) recognizes that an important job characteristic is a work schedule that allows employees to spend time with families;

(4) supports the goals and ideas of "National Family and Work Month", and urges public officials, employers, employees, and the general public to work together to achieve more balance between work and family; and

(5) requests that the President issue a proclamation calling upon the people of the United States to observe "National Work and Family Month" with appropriate ceremonies and activities.

The resolution was agreed to.

AMENDMENT TO THE PREAMBLE OFFERED BY
MR. ALTMIRE

Mr. ALTMIRE. I have an amendment to the preamble at the desk.

The Clerk read as follows:

Amendment to the preamble offered by Mr. ALTMIRE:

In the preamble, strike the tenth through fourteenth Whereas clauses, and insert the following:

Whereas according to a Centers for Disease Control and Prevention (CDC) report, less than half of mothers who work full time exclusively breastfeed their newborns, although support for lactation at work benefits individual families as well as employers via improved productivity and staff loyalty, and decreased absenteeism and employee turnover;

Whereas according to the CDC, breastfeeding is the most beneficial form of

infant nutrition, and the greater the duration of breastfeeding, the lower the odds of pediatric obesity;

Whereas studies report that family rituals, such as sitting down to dinner together, positively influence children's health and development, and that healthy lifestyle habits, including healthy eating and physical activity, can lower the risk of becoming obese and developing related diseases;

Mr. ALTMIRE (during the reading). Mr. Speaker, I ask unanimous consent that the reading of the amendment be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The amendment to the preamble was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ALTMIRE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to insert extraneous material into the RECORD on the matters that were just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CHARITY ENHANCEMENT ACT OF 2008

Mr. LEWIS of Georgia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7083) to amend the Internal Revenue Code of 1986 to enhance charitable giving and improve disclosure and tax administration.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 7083

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the "Charity Enhancement Act of 2008".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title, etc.

Sec. 2. Funds advised by certain public charities and governmental entities not treated as donor advised funds.

Sec. 3. Certain scholarship distributions from donor advised funds not treated as taxable distributions.

Sec. 4. Repeal of special written acknowledgment requirement for charitable contributions to donor advised funds.

Sec. 5. Reasonable compensation paid by supporting organizations to substantial contributors not treated as an excess benefit.

Sec. 6. Exception from holdings and payout requirements for longstanding, fully funded type III supporting organizations.

Sec. 7. Contributions by Indian tribal governments treated same as contributions by States.

Sec. 8. Electronic filing of exempt organization annual returns.

Sec. 9. Expansion of bad check penalty to electronic payments, etc.

SEC. 2. FUNDS ADVISED BY CERTAIN PUBLIC CHARITIES AND GOVERNMENTAL ENTITIES NOT TREATED AS DONOR ADVISED FUNDS.

(a) IN GENERAL.—Subparagraph (B) of section 4966(d)(2) is amended by striking "or" at the end of clause (i), by striking the period at the end of clause (ii) and inserting ", or", and by adding at the end the following new clause:

"(iii) if all contributions to such fund or account have been made, and all advisory privileges referred to in subparagraph (A)(iii) with respect to such fund or account have been exercised, by either—

"(I) one or more organizations described in clause (i), (ii), (iii), (iv), or (vi) of section 170(b)(1)(A) or section 509(a)(2), or

"(II) one or more entities described in section 170(c)(1)."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 3. CERTAIN SCHOLARSHIP DISTRIBUTIONS FROM DONOR ADVISED FUNDS NOT TREATED AS TAXABLE DISTRIBUTIONS.

(a) IN GENERAL.—Subsection (c) of section 4966 is amended by adding at the end the following new paragraph:

"(3) EXCEPTION FOR CERTAIN SCHOLARSHIP DISTRIBUTIONS.—

"(A) IN GENERAL.—The term 'taxable distribution' shall not include any qualified scholarship distribution from a qualified scholarship fund.

"(B) QUALIFIED SCHOLARSHIP DISTRIBUTION.—The term 'qualified scholarship distribution' means any grant to a natural person for travel, study, or other similar purposes made from a donor advised fund if all such grants meet the requirements of subsection (d)(2)(B)(ii)(III).

"(C) QUALIFIED SCHOLARSHIP FUND.—The term 'qualified scholarship fund' means any donor advised fund if—

"(i) the advisory privileges referred to in subsection (d)(2)(A)(iii) with respect to such fund are exercised solely by an organization described in paragraph (4) of section 501(c) and exempt from tax under section 501(a), and

"(ii) substantially all of the distributions from such fund are qualified scholarship distributions."

(b) APPLICATION OF TAX ON PROHIBITED BENEFITS TO QUALIFIED SCHOLARSHIP DISTRIBUTIONS.—Subsection (c) of section 4967 is amended by adding at the end the following new paragraph:

"(3) QUALIFIED SCHOLARSHIP FUNDS.—Each substantial contributor (as defined in section 4958(c)(3)(C)) to a qualified scholarship fund and each family member (within the meaning of section 4958(f)(4)) of such person shall be treated as a person described in subsection (d) with respect to such fund."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after the date of the enactment of this Act.

SEC. 4. REPEAL OF SPECIAL WRITTEN ACKNOWLEDGMENT REQUIREMENT FOR CHARITABLE CONTRIBUTIONS TO DONOR ADVISED FUNDS.

(a) IN GENERAL.—Paragraph (18) of section 170(f) is amended—

(1) by striking subparagraph (B),

(2) by striking “if—” and all that follows through “the sponsoring organization (as defined in section 4966(d)(1))” and inserting “if the sponsoring organization (as defined in section 4966(d)(1))”, and

(3) by redesignating clauses (i) and (ii) of subparagraph (A) (as in effect before amendment by paragraph (2)) as subparagraphs (A) and (B) and by moving such subparagraphs 2 ems to the left.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 5. REASONABLE COMPENSATION PAID BY SUPPORTING ORGANIZATIONS TO SUBSTANTIAL CONTRIBUTORS NOT TREATED AS AN EXCESS BENEFIT.

(a) **IN GENERAL.**—Clause (ii) of section 4958(c)(3)(A) is amended to read as follows:

“(ii) the term ‘excess benefit’ includes, with respect to any transaction described in clause (i)—

“(I) in the case of any grant, loan, or similar payment, the amount of such grant, loan, or similar payment, and

“(II) in the case of any compensation or similar payment, the amount by which the value of the economic benefit provided exceeds the value of the consideration (including the performance of services) received for providing such benefit.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to amounts paid pursuant to transactions entered into after the date of the enactment of this Act.

SEC. 6. EXCEPTION FROM HOLDINGS AND PAYOUT REQUIREMENTS FOR LONGSTANDING, FULLY FUNDED TYPE III SUPPORTING ORGANIZATIONS.

(a) **HOLDINGS REQUIREMENTS.**—Subsection (f) of section 4943 is amended by adding at the end the following new paragraph:

“(8) **EXCEPTION FOR CERTAIN LONGSTANDING FULLY FUNDED TYPE III SUPPORTING ORGANIZATIONS.**—Paragraph (1) shall not apply to any organization if—

“(A) the organization was established before January 1, 1970,

“(B) the organization has not accepted any substantial contributions after December 31, 1970,

“(C) no donor to the organization was alive on August 17, 2006, and

“(D) no family member (within the meaning of section 4958(f)(4)) of any donor is an organization manager (as defined in section 4958(f)(2)).”.

(b) **PAYOUT REQUIREMENTS.**—Section 1241(d)(1) of the Pension Protection Act of 2006 shall not apply to any organization described in section 4943(f)(8) of the Internal Revenue Code of 1986, as added by this section.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 7. CONTRIBUTIONS BY INDIAN TRIBAL GOVERNMENTS TREATED SAME AS CONTRIBUTIONS BY STATES.

(a) **IN GENERAL.**—Section 7871(a) (relating to Indian tribal governments treated as States for certain purposes) is amended by striking “and” at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting “; and”, and by adding at the end the following new paragraph:

“(8) for purposes of—

“(A) determining support of an organization described in section 170(b)(1)(A)(vi), and

“(B) determining whether an organization is described in paragraph (1) or (2) of section 509(a) for purposes of section 509(a)(3).”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to—

(1) support received on or after the date of the enactment of this Act, and

(2) the determination of the status of any organization with respect to any taxable year beginning after such date of enactment.

SEC. 8. ELECTRONIC FILING OF EXEMPT ORGANIZATION ANNUAL RETURNS.

(a) **IN GENERAL.**—Subsection (d) of section 6104 (relating to public inspection of certain annual returns, reports, applications for exemption, and notices of status) is amended—

(1) by redesignating the paragraph relating to disclosure of reports by Internal Revenue Service as paragraph (7),

(2) by redesignating the paragraph relating to application to nonexempt charitable trusts and nonexempt private foundations as paragraph (8), and

(3) by adding at the end the following new paragraph:

“(9) **RETURNS REQUIRED ON MAGNETIC MEDIA, ETC.**—Any organization (other than an organization exempt from tax under section 527(a)) which—

“(A) is required to make available information for inspection under paragraph (1)(A), and

“(B) would be required to file returns on magnetic media or in other machine-readable form under subsection (e) of section 6011 if such subsection were applied by substituting ‘at least 5 returns’ for ‘at least 250 returns’ in paragraph (2)(A) thereof,

shall file the information referred to in clauses (i) and (ii) of paragraph (1)(A) on such magnetic media or in other machine-readable form.”.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a) shall apply to returns required to be filed for taxable years beginning after the date of the enactment of this Act.

SEC. 9. EXPANSION OF BAD CHECK PENALTY TO ELECTRONIC PAYMENTS, ETC.

(a) **IN GENERAL.**—Section 6657 (relating to bad checks) is amended by adding at the end the following: “Except as otherwise provided by the Secretary, any authorization of a payment by commercially acceptable means (within the meaning of section 6311) shall be treated for purposes of this section in the same manner as a check.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to authorizations of payments made after December 31, 2005.

The **SPEAKER pro tempore** (Mr. ALTMIRE). Pursuant to the rule, the gentleman from Georgia (Mr. LEWIS) and the gentleman from Minnesota (Mr. RAMSTAD) each will control 20 minutes.

The Chair recognizes the gentleman from Georgia.

GENERAL LEAVE

Mr. LEWIS of Georgia. Mr. Speaker, I ask unanimous consent that Members may have 5 legislative days to revise and extend their remarks on the bill, H.R. 7083.

The **SPEAKER pro tempore**. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LEWIS of Georgia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 7083, the Charity Enhancement Act of 2008.

This bill responds to hundreds of pages of written comments that were submitted by charities to the Ways and

Means Subcommittee on Oversight. This bill contains a number of important provisions to help charities continue their good work.

Charities play such an important role in our country. Charities and foundations make up the very fabric of our communities. They know the deepest human needs of our friends and neighbors, and they know the solutions that work. Often, at critical times, charities and foundations are the leaders that show government the way to care for our citizens. Their services touch every corner of life in our communities—education, the arts, and medical research.

They also serve those who need our help the most by feeding the hungry, caring for the sick and lifting up those who live in poverty. This bill fixes some of the unintended effects of new charitable laws that keep them from doing their good and necessary work.

First, the bill will promote scholarships by relaxing the rules imposed on certain scholarship funds.

Second, the bill would improve disclosure to the public by increasing the electronic filing of tax returns filed by charities and foundations.

Third, the bill will provide relief to certain longstanding supporting organizations created before 1970. Notably, these are charities where the donors are deceased, so there is no concern about misusing the charity for personal gain.

Historically, these charities have distributed significant amounts to their communities over the past 38 years. Their contributions have been used to fund scholarship and support charitable, scientific, and educational activities.

Finally, this bill will allow charities to reimburse reasonable and necessary expenses of volunteer board members.

I urge my colleagues on both sides of the aisle to support our charities and foundations and vote “yes” for H.R. 7083.

I reserve the balance of my time.

Mr. RAMSTAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, tough economic times are especially tough for America’s charitable community. They face increasing demands for services from people in need, and the investments that foundations make in order to grow their endowments have eroded significantly due to market turmoil.

Last year on behalf of the Ways and Means Oversight Subcommittee, Chairman LEWIS requested comments on the implementation of charitable reforms contained in the 2006 Pension Protection Act.

The bill before us responds to many of the concerns that were raised by the charitable community. Specifically, the bill has seven provisions aimed at relieving burdens on charities and on foundations:

Funds advised by certain public charities and government entities would not be treated as donor advised funds.

Certain scholarships given from donor advised funds would not be considered a taxable distribution.

Thirdly, a special written acknowledgment requirement for charitable contributions to donor advised funds would be repealed.

Fourth, supporting organizations would be allowed to pay reasonable compensation to substantial contributors for the services that they perform without the payment being considered an excess benefit.

Also, certain long-standing Type III organizations with no recent major or living donors would be exempt from payout and excess business holding requirements.

In addition, Mr. Speaker, contributions from Indian tribal governments would be treated the same as contributions from States for purposes of determining whether an organization is a public charity or a private foundation.

Finally, the IRS would be allowed to institute electronic filing for charities that file at least five information returns each year.

Mr. Speaker, I am proud to cosponsor Chairman LEWIS' legislation, grateful for his leadership of the Oversight Subcommittee and his friendship over the years. His leadership as chairman of our subcommittee has been thoughtful and bipartisan inclusive. For that I am very grateful. I urge my colleagues to support H.R. 7083, the Charity Enhancement Act to provide relief to America's charitable community.

I reserve the balance of my time.

Mr. LEWIS of Georgia. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. THOMPSON), a member of the Ways and Means Committee.

Mr. THOMPSON of California. Mr. Speaker, I would like to thank Mr. LEWIS and Mr. RAMSTAD for their work on this very important bill, a bill that I am proud to be the coauthor of, and I rise today in strong support of this bill.

The provisions of this bill will play a vital role in allowing charitable organizations to better serve our communities. In fact, the two largest organizations representing charities, Independent Sector and the Council on Foundations, have both endorsed this critical legislation because it allows charities to better fulfill their valuable mission.

To help explain the practical impact of this bill, I would like to share the story of the Doyle Trust which benefits thousands of hardworking families.

Doyle Trust was founded 59 years ago to serve the students of Santa Rosa Junior College in Sonoma County, California. On Frank Doyle's death, he established the Doyle Trust which he funded with his 51 percent share in the Exchange Bank. Doyle created his trust so that dividends for his bank stock would go to a scholarship fund to help students attending this junior college.

Last year alone, more than \$5 million in scholarships for 5,500 Santa Rosa Junior College students was donated by the Doyle Trust. It is not unusual to

find three generations of the same family who have benefited from the Doyle Trust scholarships. The Doyle Trust is an institution in Sonoma County, and its contribution to the community makes a real difference in the lives of working families.

Without this legislation, the mission of the Doyle Trust may be undermined because provisions of the Pension Protection Act could force the trust to sell its assets.

□ 1445

The unintended consequence of the Pension Protection Act would be to end Doyle Trust's ability to continue providing scholarships to thousands of students at Santa Rosa Junior College.

I urge my colleagues on both sides of the aisle to help us pass this bill to ensure that future generations of Sonoma County families can benefit from the generosity of the Doyle Trust.

Mr. RAMSTAD. Mr. Speaker, I continue to reserve the balance of my time.

Mr. LEWIS of Georgia. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Speaker, I thank the chairman, Mr. LEWIS, and the ranking member, Mr. RAMSTAD, for this work that is now embodied in H.R. 7083. I support the legislation, and thank them for their efforts to move forward on what is a very important subject, and that is encouraging Americans to participate in charitable giving.

The government has a partnership with the charitable sector. The government relies on charities to reach out to populations in need, and that is why the charitable sector receives tax-preferred treatment. We want to incent charitable activity as much as we can because government, by itself, cannot serve the needs of all of those Americans who work very hard but who sometimes fall upon bad times.

At the same time, we find that there are some charitable organizations that are doing tremendous work while others are not, and I believe this is the beginning of a major effort on the part of Congress to try to really focus our attention on the charitable sector to make sure that we are receiving everything Americans expect through that tax-deferred treatment that these charities and nonprofit organizations receive.

One example in this bill of how we are doing good is through the tribal charities provision in this legislation. Tribal charities, charities that are within the jurisdiction of the tribal governments of this country, are a good example of nonprofits that recognize the overwhelming need of a people, in this case, people in Indian country. Tribal charities play a crucial role in serving the needs of members of these many tribes throughout America.

We know that close to 25 percent of Native Americans today live in poverty. It's even higher for Native Amer-

ican children. Some 31 percent live in households that live in poverty. That compares to 11 percent of American children who are non-Native American. We also know that close to 20 percent of Native American seniors today still live in poverty, far greater than we see outside of Indian country. Fewer than 15 percent of Native Americans today go on to receive a bachelor's degree or higher. We need to change that.

So these tribal charities that we find are making every effort to try to reach out to communities throughout Indian country to make it possible for young kids, for adults who work and for seniors to have a chance to benefit from all we can.

Tribal charities under this legislation will be treated the way any other State government or local government is treated when it comes to dealing with charities, the same type of tax treatment. That will give tribes an opportunity to really enhance the ability of tribal charities to do the most good for a larger population. This legislation will go a long way in correcting some of the mistakes that we've made and in correcting some of the omissions that have been there in the past.

Once again, I believe, as I said before, that under the leadership of Chairman LEWIS and with the good help of Mr. RAMSTAD that we're moving forward to make sure that we have a charitable tax deduction that works for everyone and that is optimal in its efforts to try to do public good.

Mr. RAMSTAD. Mr. Speaker, I continue to reserve the balance of my time.

Mr. LEWIS of Georgia. Mr. Speaker, may I inquire of Mr. RAMSTAD whether he has any additional speakers?

Mr. RAMSTAD. Mr. Speaker, I have no further speakers. I yield back the balance of my time.

Mr. LEWIS of Georgia. Mr. Speaker, this is an important bill, and I want to thank my good friend Mr. RAMSTAD for all of his hard work and for his great work in helping to bring this needed bill before us today.

Given the terrible state of the economy, we need to do all we can to support our charities. We need to promote scholarships, to promote charitable giving and to enhance public disclosure.

I fully support H.R. 7083. I urge all of my colleagues on both sides of the aisle to support our charities and to vote "yes" for the bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Georgia (Mr. LEWIS) that the House suspend the rules and pass the bill, H.R. 7083.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.